

Michael S. Weinstein
Moshie Solomon
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Counsel for Jonathan L. Flaxer, Chapter 11 Trustee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----	X	
In re	:	Chapter 11
	:	
JOSEPH KLAYNBERG,	:	Case No. 22-10165 (MG)
	:	
Debtor.	:	
	:	
-----	X	

**FIFTH MONTHLY STATEMENT OF GOLENBOCK EISEMAN ASSOR BELL &
PESKOE LLP, AS COUNSEL FOR JONATHAN L. FLAXER,
CHAPTER 11 TRUSTEE, OF FEES FOR PROFESSIONAL
SERVICES RENDERED FOR THE PERIOD
APRIL 1, 2023 THROUGH APRIL 30, 2023**

Name of Applicant:	Golenbock Eiseman Assor Bell & Peskoe LLP
Role in Case:	Counsel to Chapter 11 Trustee
Date of Retention:	Order entered November 7, 2022 <i>nunc pro tunc</i> to September 20, 2022
Period for which compensation and reimbursement is sought:	April 1, 2023 to April 30, 2023
Amount of Compensation sought as actual, reasonable and necessary:	\$43,247.00 (80% of which is \$34,597.60)
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$163.04
Total (80% of fees and 100% of costs):	\$34,760.64

Golenbock Eiseman Assor Bell & Peskoe LLP (“**GEABP**”), as counsel for Jonathan L. Flaxer (the “**Trustee**”), the chapter 11 trustee for Joseph Klaynberg (the “**Debtor**”), hereby submits this fifth monthly statement (the “**Monthly Statement**”) for the period of April 1, 2023 through April 30, 2023 (the “**Statement Period**”) for payment of professional services rendered and reimbursement of expenses incurred during the Statement Period pursuant to the Court’s Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals [Dkt. No. 45], as modified by the Stipulation and Order Modifying Monthly Compensation Order [Dkt No. 268] (together, the “**Fee Procedures Order**”). GEABP requests (i) interim allowance and payment of compensation in the amount of \$34,597.60 (80% of \$43,247.00) for fees and (ii) reimbursement of expenses in the amount of \$163.04 incurred on account of reasonable and necessary professional services rendered by GEABP as counsel to the Trustee.

FEES FOR SERVICES RENDERED DURING THE STATEMENT PERIOD

1. Set forth below is a list of the positions of the GEABP professionals and paralegals

who provided services to the Trustee during the Statement Period, their respective billing rates, and the aggregate hours spent by each person providing services to the Trustee during the Statement Period.

	Year Admitted	Hourly Rate	Total Hours	Total Amount	Practice Specialty
<u>Partners</u>					
Michael S. Devorkin	1980	950.00	4.70	\$ 4,465.00	Litigation
Steven R. Hochberg	1987	775.00	1.70	\$ 1,317.50	Real Estate
Michael S. Weinstein	2009	555.00	5.80	\$ 3,219.00	Bankruptcy
<u>Associates/Of Counsel</u>					
Ina Dogani	2021	460.00	60.30	\$27,738.00	Litigation
Moshie Solomon	2002	555.00	6.80	\$ 3,774.00	Bankruptcy
<u>Paralegals/Paraprofessionals</u>					
Heather Maxwell	N/A	245.00	6.70	\$ 1,641.50	Litigation
Erin Jengo-Quirk	N/A	195.00	5.60	\$ 1,092.00	Litigation
TOTAL:			91.60	\$43,247.00	
BLENDED RATE FOR ALL PROFESSIONALS:			\$ 472.13		
BLENDED ATTORNEY RATE:			\$ 510.88		

2. The fees and reimbursement of expenses sought by GEABP in the Monthly Statement are billed at rates and in accordance with practices customarily employed by GEABP and generally accepted by GEABP's other clients. A complete itemization of the tasks performed by the above-referenced persons during the Statement Period, as well as details regarding the expenses sought to be reimbursed, is annexed hereto as **Exhibit A**.

NOTICE AND OBJECTION PROCEDURES

3. GEABP has provided notice of this statement upon the following parties: (i) the Chapter 11 Trustee, Jonathan L. Flaxer, 711 Third Avenue, 17th Floor, New York, New York 10017; (ii) the Debtor, Joseph Klaynberg, 114 Mulberry Street, Apt. 703, New York, New York

10003; (iii) counsel to the Debtor, Cullen & Dykman, LLP, 100 Quentin Roosevelt Boulevard, Garden City, New York 11530, Attn: Matthew G. Roseman, Esq. and Bonnie L. Pollack, Esq.; (iv) counsel to Series 2020A of Nahla Capital LLC, Hunton Andrews Kurth LLP, 200 Park Avenue, New York, New York 10166, Attn: Robert A. Rich, Esq.; and (v) the Office of the United States Trustee, 201 Varick Street, Room 1006, New York, New York 10014, Attn: Tara Tiantian, Esq. (collectively, the “**Notice Parties**”).

4. Pursuant to the Fee Procedures Order, objections to this Monthly Statement, if any, must be served no later than **June 22, 2023** (the “**Objection Deadline**”) upon the following parties: (i) GEABP, and (ii) the Notice Parties.

5. If no objections to this Monthly Statement are received by the Objection Deadline, the Chapter 11 Trustee, on behalf of the estate of the Debtor, will pay GEABP 80% of the fees and 100% of the expenses identified in this Monthly Statement.

6. To the extent an objection to the Monthly Statement is received on or before the Objection Deadline, the Chapter 11 Trustee will withhold payment of that portion of the Monthly Statement to which the objection is directed and will promptly pay the remainder of fees and expenses in the percentages set forth above. To the extent such objection is not resolved, it shall be preserved and scheduled for consideration at the next fee application hearing.

Dated: New York, New York
May 18, 2023

GOLENBOCK EISEMAN ASSOR
BELL & PESKOE LLP
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By: /s/ Michael S. Weinstein
Michael S. Weinstein
Moshie Solomon

Counsel for Jonathan L. Flaxer, Chapter 11 Trustee

EXHIBIT A

Represent Trustee of Joseph Klaynberg

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Asset Sales

Draft Statement

04/03/2023	MSW	Emails with broker re additional information received.	0.20	111.00	14
04/11/2023	MSW	Review and comment on comments to M&T consent. Michael S. Weinstein	0.20 0.40	111.00 222.00	15
04/11/2023	SRH	Reviewed Key Bank and M&T Loan Modifications and sent to Lender's Counsel	0.70	542.50	17
04/27/2023	SRH	Reviewed Key Bank and M&T Loan Modifications re releasing Klaynberg from the Guaranty Steven R Hochberg	1.00 1.70	775.00 1,317.50	16
		For Current Services Rendered	2.10	1,539.50	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	0.40	\$555.00	\$222.00
Steven R Hochberg	1.70	775.00	1,317.50

Total Current Work 1,539.50

Balance Due \$1,539.50

Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
1,539.50	0.00	0.00	0.00

Please refer to account number when making payment.

Case Administration

Draft Statement

04/17/2023	MSW	Call with B. Pollack, J. Klaynberg, and Trustee re WonderWorks.	0.40	222.00	114
		Michael S. Weinstein	0.40	222.00	
04/19/2023	EJG	Emails and calls w/clerk re: duplicate docs (1.4); review dockets re: same (0.6)	2.00	390.00	117
04/25/2023	EJG	Generate & File March 2023 MOR	0.40	78.00	118
		Erin Jengo-Quirk	2.40	468.00	
		For Current Services Rendered	2.80	690.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	0.40	\$555.00	\$222.00
Erin Jengo-Quirk	2.40	195.00	468.00

04/01/2023	Postage for March 2023	18.00	1
	Total Expenses	18.00	
	Total Current Work	708.00	
	Balance Due	<u>\$708.00</u>	

Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
690.00	18.00	0.00	0.00

Employment and Fee Applications

Draft Statement

04/14/2023	M S	Emails to/from J. Flaxer re: March 2023 fee statements (0.2); Review file and docket re same (0.2); Emails to J. Spielberg and R. Giambalvo re: same (0.2)	0.60	333.00	74
04/17/2023	M S	Review GEABP time records re: monthly fee statement (0.9); Emails to/from J. Flaxer re: same (0.2)	1.10	610.50	75
04/18/2023	M S	Draft March 2023 GEABP fee statement (1.7); Emails to/from J. Flaxer re: same (0.2); Review docket re: same (0.2)	2.10	1,165.50	76
04/19/2023	M S	Emails to/from E. Jengo-Quirk re: filing of March 2023 fee statement (0.2); Emails to/from M. Weinstein re: same (0.1); Review final draft of fee statement (0.2); Email to all parties re: service of fee statement (0.2)	0.70	388.50	77
04/26/2023	M S	Review Traxi retainer agreement in preparation for retention application (0.2); Email to J. Flaxer re: same (0.1)	0.30	166.50	78
04/27/2023	M S	Draft Traxi retention application, along with related proposed order and certification (1.9); Email to J. Flaxer re: same (0.1)	2.00	1,110.00	79
		Moshie Solomon	6.80	3,774.00	
		For Current Services Rendered	6.80	3,774.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Moshie Solomon	6.80	\$555.00	\$3,774.00

Total Current Work 3,774.00

Balance Due \$3,774.00

Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
3,774.00	0.00	0.00	0.00

Please refer to account number when making payment.

Litigation

Draft Statement

04/03/2023	MSD	oc with JF re strategy and planning issues for investigation and deps	0.30	285.00	32
	MSD	oc with JF, MW, ID re strategy and planning issues for investigation and deps and documents produced so far	1.80	1,710.00	33
04/10/2023	MSD	Call with Chabad Rabbi Rotenstreich and JF re claim	0.60	570.00	34
04/11/2023	MSD	Review Chabad facts and docs and email JF re same	0.30	285.00	35
04/20/2023	MSD	Status update meeting with MW, JF, ID	0.70	665.00	36
04/27/2023	MSD	Strategy meeting with trustee and ID reviewing doc results and next steps	1.00	950.00	37
		Michael S. Devorkin	4.70	4,465.00	
04/14/2023	MSW	Review and comment on notice of hearing and oversee filing of same.	0.40	222.00	38
		Michael S. Weinstein	0.40	222.00	
04/03/2023	HM	Review files before upload to Ipro	0.30	73.50	31
04/18/2023	HM	Continue Bates stamping and upload of documents to Ipro, email to Ipro regarding upload	1.50	367.50	39
04/19/2023	HM	Continue to upload files to Ipro, draft explanatory email regarding review in Ipro	0.60	147.00	40
04/20/2023	HM	Bates label and upload additional subpoena documents to Ipro	1.50	367.50	41
04/21/2023	HM	Continue to upload documents to Ipro and process Imaging them	1.80	441.00	42
04/24/2023	HM	Continue to upload documents to Klaynberg Ipro database	0.80	196.00	43
		Heather Maxwell	6.50	1,592.50	
		For Current Services Rendered	11.60	6,279.50	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Devorkin	4.70	\$950.00	\$4,465.00
Michael S. Weinstein	0.40	555.00	222.00
Heather Maxwell	6.50	245.00	1,592.50

Represent Trustee of Joseph Klaynberg

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Litigation

Total Current Work 6,279.50

Balance Due \$6,279.50

	<u>Fees</u>	<u>Expenses</u>	<u>Billing History</u> <u>Finance Charge</u>	<u>Payments</u>
	6,279.50	0.00	0.00	0.00

Please refer to account number when making payment.

Plan and Disclosure Statement

Draft Statement

04/07/2023	MSW	Email with counsel to Citizens regarding proposed treatment of claim.	0.20	111.00	42
		Michael S. Weinstein	0.20	111.00	
04/13/2023	HM	Proofread notice of hearing of Disclosure Statement approval and revise same	0.20	49.00	48
		Heather Maxwell	0.20	49.00	
04/13/2023	EJG	Draft disclosure statement notice	1.70	331.50	46
04/14/2023	EJG	File Notice of Status conf. and Disclosure Statement	0.50	97.50	47
		Erin Jengo-Quirk	2.20	429.00	
		For Current Services Rendered	2.60	589.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	0.20	\$555.00	\$111.00
Heather Maxwell	0.20	245.00	49.00
Erin Jengo-Quirk	2.20	195.00	429.00

Total Current Work 589.00

Balance Due \$589.00

Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
589.00	0.00	0.00	0.00

Please refer to account number when making payment.

Represent Trustee of Joseph Klaynberg

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Preparation for and Attendance at Court Hearings

Draft Statement

04/07/2023	MSW	Emails with chambers and internally re hearing date and oversee notice of same (.2).	0.20	111.00	6
		Michael S. Weinstein	0.20	111.00	
		For Current Services Rendered	0.20	111.00	

Recapitulation			
<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	0.20	\$555.00	\$111.00

Total Current Work	111.00
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Balance Due	<u>\$111.00</u>
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Billing History			
<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
111.00	0.00	0.00	0.00

Please refer to account number when making payment.

Investigations

Draft Statement

04/03/2023	MSW	Call with M. Devorkin, I. Dogani, J. Flaxer re investigative steps and planning.	1.80	999.00	100
04/11/2023	MSW	Multiple emails regarding potential Chabad litigation, including fact summary based upon productions to date.	1.20	666.00	117
04/20/2023	MSW	Internal meeting with Trustee regarding next steps re investigation.	1.20	666.00	133
		Michael S. Weinstein	4.20	2,331.00	
04/03/2023	IDI	Meeting with M. Devorkin, M. Weinstein, J. Flaxner to discuss case update.	0.80	368.00	134
	IDI	Review discovery documents produced by Daniel Klaynberg	2.80	1,288.00	159
04/04/2023	IDI	Call with counsel for Daniel, Robert and Edward Klaynberg to discuss discovery deficiencies	0.40	184.00	135
	IDI	Email correspondence to counsel for Daniel, Robert and Edward summarizing agreed next steps and providing further guidance	0.50	230.00	136
	IDI	Call with counsel for Emily Klaynberg to discuss production deficiencies	0.30	138.00	137
	IDI	Email correspondence to counsel for Emily summarizing agreed next steps and providing guidance	0.40	184.00	138
	IDI	Call with Dina DiGiorgio to discuss issues and questions re. production	0.40	184.00	139
	IDI	Review and analyze subpoena production documents related to Spectra transfers	3.40	1,564.00	160
04/06/2023	IDI	Review and analyze documents re. divorce property division	3.70	1,702.00	140
04/07/2023	IDI	Analyze documents provided by Bonnie Pollock re. entities, bank statements, and credit card statements	6.30	2,898.00	141
04/10/2023	IDI	Review transfer of Spectra interests and re-investment of distributions	2.20	1,012.00	150
04/11/2023	IDI	Analyze documentation and calculations re. loan and interest payments benefiting Chabad and amount currently due	2.80	1,288.00	142

Investigations

	IDI	Analyze documents in connection with transfer of CT property interests	3.50	1,610.00	143
04/14/2023	IDI	Review Emily's amended discovery responses and additional production	0.70	322.00	144
	IDI	Email correspondence with Emily's counsel re. supplemental production	0.20	92.00	145
	IDI	Review and analyze documents provided by Daniel Klaynberg in response to subpoena	6.70	3,082.00	146
04/17/2023	IDI	Legal research on potential legal bases for complaint against Chabad	2.30	1,058.00	147
	IDI	Legal research on distribution of debts benefiting both spouses during marriage secured by marital property for purposes of divorce property division	2.90	1,334.00	148
04/19/2023	IDI	Review documents related to Spectra CT developments	5.30	2,438.00	152
04/20/2023	IDI	Weekly meeting with M. Devorkin, M. Weinstein, and J. Flaxner to discuss outstanding subpoena responses, document review and commencement of litigation	0.80	368.00	149
04/24/2023	IDI	Review documents received in response to subpoenas	1.60	736.00	153
04/25/2023	IDI	Review Klaynberg discovery documents	2.00	920.00	154
	IDI	Update case timeline following discovery review	0.50	230.00	155
04/27/2023	IDI	Meeting with forensic accountants to discuss case background and engagement	1.50	690.00	151
	IDI	Review discovery documents received in response to subpoenas for fact investigation	4.60	2,116.00	156
	IDI	Meeting with M. Devorkin and J. Flaxer re. case updates and litigation strategy	0.50	230.00	157
04/28/2023	IDI	Review subpoena documents in iPro for fact investigation	3.20	1,472.00	158
		Ina Dogani	60.30	27,738.00	
		For Current Services Rendered	64.50	30,069.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	4.20	\$555.00	\$2,331.00
Ina Dogani	60.30	460.00	27,738.00

Represent Trustee of Joseph Klaynberg

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Investigations

name DOGANI,INA	145.04	1
Total Expenses	145.04	
Total Current Work	30,214.04	
Balance Due	<u>\$30,214.04</u>	

Billing History			
<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
30,069.00	145.04	0.00	0.00

Please refer to account number when making payment.

Represent Trustee of Joseph Klaynberg

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Motions and Pleadings

Draft Statement

04/07/2023	EJG	Draft Notice of Status Conference	1.00	195.00	4
		Erin Jengo-Quirk	1.00	195.00	
		For Current Services Rendered	1.00	195.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Erin Jengo-Quirk	1.00	\$195.00	\$195.00

Total Current Work 195.00

Balance Due \$195.00

Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
195.00	0.00	0.00	0.00

Please refer to account number when making payment.